

AR Day Feedback: EXPAND AND SIMPLIFY USE OF GOVERNMENT-WIDE PURCHASE CARD - FASA/FARA & REGS

Issues/Recommendations	Actions to Date	Actions Required
Increase the micro-purchase threshold.	Included in the PATs' analysis of procurement review and approval procedures	DEPSECDEF direct AR & SADBUD perform study to determine efficacy of increasing micro-purchase threshold. (Proposed implementation date 01 March 1998)
Raise the purchasing limit for those organizations who can document a recurring need for a higher funding level.	Included in the PATs' analysis of financial management practices	DEPSECDEF direct funding limits coordinated with APC and RMO to ensure funds availability and effective program implementation (Proposed implementation date 01 Nov 96)
Change rules to eliminate bureaucracy. Process needs further streamlining. Enforce empowerment with limited oversight.	Based upon PAT recommendations, the USD(C) has issued policy to effect changes to the funding and reconciliation processes.	Further implementation of the recommendations will streamline the procurement process, reduce administrative burdens and increase use of commercially available items.
Need a compliance review program – PARC level?	Included in the PATs' analysis of procurement review and approval procedures and financial management practices	USD(C) fund effort to develop a knowledge based protocol to assist in detecting purchase card misuse. Also request IG to develop standard methodology and sampling techniques for oversight and evaluation (Implementation date 15 October 1996)
Discontinue line item accounting.	*Included in the PATs' analysis of financial management practices.	USD(C) issue policy that mandates use of bulk funding for credit card purchases. (Proposed implementation date 01 Nov 96)
Support block funding.	Included in the PATs' analysis of financial management practices.	USD(C) mandate use of advance reservation of funds for purchase cards. This will streamline procurement process by eliminating need for repetitive funding approvals. (Proposed implementation 01 Nov 96)
Make reimbursement system similar to local travel reimbursements.	N/A. Government cardholder not expending personal funds; therefore, no reimbursement necessary.	
Provide "best practices" guidance.	Included in the PATs' analysis of procurement review and approval procedures	As the recommendations are implemented best practices, alternative vendor acceptance agreements, etc. will be included in the DAU Deskbook. (Proposed implementation 01 Dec 96)
Implement use of cards providing Government with added benefits, i.e.,	N/A. To impose provisions similar to travel regulations would become burdensome.	

frequent flyer miles, etc.		
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*The DUSD(AR) and the USD(C) chartered PATs to recommend process, policy, etc., changes that promotes use of the purchase card.

AR Day Feedback: SIMPLIFY THE ACQUISITION PROCESS - LEGISLATION & REGULATIONS

Issues/Recommendations	Actions to Date	Actions Required
The competition threshold is too low at \$2500 - it should be \$10,000 (10% of SAT).	AR rec'd comparable leg proposals from DA and SAF (up to \$25,000). Considering whether this leg relief warranted or whether same obj can be accomplished via use of Blanket Purchase Agreement. Purchase Card Pat also recommended same, which was not accepted by DUSD(AR) because of BPA option.	AR to determine whether legislative or regulatory relief, or additional guidance through deskbook, is appropriate.
The threshold for all actions should coincide with the new SAT changes, i.e., reconsider legal reviews; fast payment; DD 350 and DD 1057 reporting.		Request DAR Council to review how many post-FASA/FARA regulatory thresholds remain that are not in conformance with SAT.
Conform all thresholds.		Request D,DP and DoD GC to initiate review of thresholds to analyze whether variance from SAT warranted in any individual case.
Want higher thresholds for Business Clearances.		Request D,DP and DoD GC to initiate review of thresholds to analyze whether variance from SAT warranted in any individual case.
Apply pressure to HQ activities to relax their policies & procedures to provide the same degree of autonomy, discretion, and authority reflected in the recent & ongoing legislation.	AR education and training initiatives provide knowledge base for MILDEPs to tailor DoD-wide acquisition reform practices to their own offices.	Continue to enhance education and training initiatives; enhance functioning of ARSSG as educational tools and policy-making body for senior OSD and MILDEP management.
Eliminate or reduce higher echelon approval on specialized purchases.	FARA significantly raised justification and approval levels for noncompetitive purchases. Currently being implemented in the FAR.	Consider legislative proposal to remove any remaining impediments on streamlined approval of specialized purchase (e.g., delete statutory language limiting ability to delegate approval authority).
Allow purchases made under the SAT to be exempt from having to synopsise in the CBD even if the requirement is not publicly released via EC/EDI.	Legislative proposal initiated for FY 98 cycle to exempt CBD synopsizing requirement for any purchase conducted on FACNET (either above or below the SAT), and to eliminate notice requirement if synopsis contained sufficient detail to permit offeror to generate proposal.	No further action.
Allow simplified acquisition procedures for	Legislative proposal initiated for FY 98 cycle	No further action required.

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section 8(a) contracting.	to permit direct contracting with 8(a) firms; proposal already has SBA concurrence, and will be priority item for FY 98 cycle.	
Stop competing requirements that are available on GSA schedules or existing contracts.	MILDEPs are often able to obtain as or more advantageous IDIQ contract terms than GSA schedules permit.	USD (A&T) charter a PAT to review agency supplements requiring competition for requirements which could be satisfied by GSA schedule or IDIQs. USD(A&T) direct the Director, EC/EDI, to make available a list and location of IDIQs, DoD-wide, linked to the A&T Homepage.
Decrease agency specific procurement regulations (i.e., DFARS, NAPS, P-68).	1994 FAR Rewrite initiative, which would have addressed issue of agency supplementation, put on hold by OFPP.	USD(A&T) charter a PAT to review agency supplements, led by AR.

AR Day Feedback: COMMUNICATION - LEGISLATION AND REGULATIONS

Issues/Recommendations	Actions to Date	Actions Required
Need diagram of legislation pertaining to each program.	Established links between Acquisition Reform Training Modules (ARTMs) and the FAI Process Chart. Links are being established between the Section 800 Panel Report, FASA/FARA and regulatory coverage.	Expand links between ARTMs, FAI process chart and legislation. Add links between 800 Panel Report, laws, regulations and FAI process chart.
Need handbook on acquisition reform with key items of legislation highlighted.	1. Book prepared as part of AR Stand-down Day 2. DAU/ARCC published a booklet entitled "Legislative Impacts on Acquisition Reform" in June 96 3. FAI maintains a Side-by-Side FAR on its WWW Homepage	Update materials as necessary.
Some still don't have access to Internet - realize that when training is planned.	DAU products are provided via various means: Satellite broadcasts, videos, CD ROMs, hardcopy and WWW	There is an immediate need to accelerate the field's access to the Internet and other means of Electronic Communications (e.g., CD-ROM). Further actions to be developed (i.e., PEO/SYSCOM Conference, PAT, E&T Strategic Plan, better coordination with components through ARCC, etc.) Advertise materials
Explain the implication and impacts of AR legislation/acts to those procurement levels	Legislative Impacts booklet Service Roadshows Service level training	Continue training
Clear guidance and training about AR legislation and initiatives to all levels. Treating all levels as the same is a mistake as guidance is provided.	Training is flowing	Continue training
FASA & FARA are major steps in competitively streamlining the procurement process. The contents, implications and impacts of these two acts have not been	DAU products are made available, at any level, through various means (satellite broadcasts, videos, CD ROMs, hardcopy and WWW)	Continue training

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sufficiently explained to those procurement levels who must use/feel the impact of these changes. Therefore, the intended benefits may not be realized.	Development of FARA training is on-going Service specific training is being conducted	
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AR Day Feedback: ADDITIONAL STATUTORY & REGULATORY BARRIERS - LEGISLATION AND REGULATIONS

Issues/Recommendations	Actions to Date	Actions Required
Restrictions based upon product origin (i.e., Buy American provisions) remain an obstacle to greater streamlining and commercialization of our procurements. Relief from the Berry Amendment to the Appropriations Act prohibition is needed for commercial items in order to allow us to truly "buy commercial."	FY 97 Defense Appropriations bill contains language that would defeat this regulatory initiative, but it is being countered by DUSD(AR) legislative proposal to remove that limitation. FARA authority to waive current existing laws for commercial item contract prime contractors is proposed for implementation to include a Berry Amendment waiver.	The Report of the Acquisition Law Advisory Panel to the Congress (Sec. 800 Report) recommended adopting a single statutory rule-of-origin based on the Trade Agreements Act. Although the Department does not have the authority to adopt a single rule-of-origin, consideration is being given to a waiver of the Buy American Act, which will have a similar but much more limited effect.
Reduce socio-economic and other programs that don't contribute to effective, efficient contracting. Specifically mentioned were: <ul style="list-style-type: none"> ■ Davis-Bacon Act ■ Service Contract Act ■ COC's in best value procurements 	Commercial item and SAT exemptions are being proposed for these laws by DUSD(AR) in its FY 98 leg package. CoC is proposed for waiver when next qualifying bidder is small business (latter proposal did not clear OMB in FY 97 cycle.)	Work with OSADBU and SBA to identify statutory and/or regulatory provisions that provide impediments to an effective, efficient award process.
Give authority for contracting officers to adopt commercial practices in Acquisition Strategy, allowing KOs to diverge from strict application of CICA in cases where it best serves the interests of the Government.	Early iterations of FARA proposed elimination of full and open competition requirement, which was poorly received by both government and private sector communities. Individual amendments are still being proposed, however, which would permit greater flexibility in determining what administration of full and open competition requirement actually entails.	
DFAS has some problems which need attention such as nonpayment of SF 1449s, lost discounts, interest penalties, and recurring misplacement of invoices at DFAS Operating Locations.	The reconstituted Commercial Items Team is reviewing the SF1449 to address a number of problems associated with the use of the form. The DFAS concerns are among the issues under review.	DDP and DFAS to finish their review of the contract payment process and implement solutions as part of the SPS Program.
Eliminate right to protest awards under SAT.	Legislative proposal to accomplish same (received from Army Materiel Command) under consideration by DUSD(AR),	AR to evaluate data and determine whether legislative relief is appropriate.

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	Statistics being generated by MILDEPs on degree of protests filed that are for contracts under the SAT. Comparable exemption for commercial items also being reviewed.	
Implement real recovery of litigation costs to deter frivolous claims.	Legislative proposal to accomplish same (received from Army Materiel Command) under consideration by DUSD(AR), Statistics being generated by MILDEPs on degree of protests filed that are for contracts under the SAT. Comparable exemption for commercial items also being reviewed.	AR to evaluate data and determine whether legislative relief is appropriate.
Pre-FASA contracts should not have to be recompeted.	Not required	
Acquisition Reform regulations that mandate multiple awards can affect clean-up contracts.	AR has reviewed suggestions to specifically exclude JOC, SABRE and Environmental Remediation contracts from requirement to use multiple awards. Discretion to make such decisions is vested in the Contracting Officer. AR advised against taking any steps declaring a type of requirement is either appropriate or inappropriate for multiple awards.	Prepare training module making clear that there is a preference, not a mandate for the use of multiple awards and providing additional guidance on the considerations which should be made in determining whether multiple awards are appropriate.
Use long-term sole-source contracts with NDI suppliers who will also be responsible for maintaining and upgrading for the life of the system.	Chapter 4 of SD-2, "Buying Commercial & Nondevelopmental Items" provides guidance on logistics support planning. This handbook was published and widely distributed in April 1996, and is available on the CANDI Homepage and in the Acquisition Deskbook. Additionally, DAU offers a non-resident course in Buying CANDI.	Continue efforts to spread the word that this information and training is available.

AR Day Feedback: PAST PERFORMANCE - FASA/FARA

Issues/Recommendations	Actions to Date	Actions Required
Need better past performance system. Develop a clear DoD position on past performance and charge each organization/service to establish a database & methods to collect data.	Past performance efforts being coordinated by PPCC, in consultation with OFPP.	AR to facilitate the development of a decision tree which will allow business areas in DoD to decide how to use past performance information (PPI) and what PPI needs to be collected to support the desired use.
Allow more discretion in the use of past performance as an evaluation factor (vice in the responsibility determination).	Past performance efforts being coordinated by PPCC, in consultation with OFPP.	AR to facilitate the development of a decision tree which will allow business areas in DoD to decide how to use past performance information (PPI) and what PPI needs to be collected to support the desired use.
Consistent with AR legislation (specifically FASA), figure out how to: factor quality of past performance into evaluation for award; preserve the competitive base; and avoid protests and/or law suits.	See above. Also, DoD Protest Reform Working Group is currently preparing discussion paper for Administrator, OFPP and DUSD(AR) on unique protest issues arising from enhanced use of past performance.	AR to facilitate the development of a decision tree which will allow business areas in DoD to decide how to use past performance information (PPI) and what PPI needs to be collected to support the desired use.
As the thresholds for evaluating contractor past performance are lowered to \$100,000, it becomes imperative that we find simple, less labor and time intensive ways to perform these evaluations.	Past performance template being developed that will simplify use of past performance as an evaluation criteria and ensure greater uniformity, and, thereby, increase its value as an evaluation criteria and reduce likelihood that use of it will generate protests.	AR to explore with PPCC Principals whether dollar thresholds make sense in light of the Arthur D. Little recommendations.

AR Day Feedback: COMMUNICATION - SPECIFICATIONS AND STANDARDS & SINGLE PROCESS INITIATIVE (SPI)

Issues/Recommendations	Actions to Date	Actions Required
Provide information on the specifications and standards database.	Information about ASSIST, and relevant NGS databases, is available on the MilSpec Reform Homepage and in the quarterly <i>Standardization Newsletter</i> .	Continue efforts to spread the word that this information is available.
Provide exact status on specs/std reform, as well as more lessons learned across the DoD.	"MilSpec Reform - Results of the First Two Years" was published and widely distributed in June 199[?] Additionally, extensive information about the status of the effort and lessons learned is available on the MilSpec Reform Homepage and in the quarterly <i>Standardization Newsletter</i> .	Continue efforts to spread the word that this information is available.
Use Lessons Learned to compare different approaches by corporations.	Database established DCMC instructions issued to share info within corporate DCMC activities Database publicized in Roadshows, etc.	Keep database updated
Develop and disseminate detailed Lessons Learned (and templates), and conduct technical briefings/workshops on SPI.	1. AR Day materials distributed 2. SPI Satellite broadcast 3. Post broadcast materials reproduced 4. DCMC SPI home page established 5. SPI Roadshows being conducted 6. SPI info included in Deskbook	1. Distribute post broadcast materials 2. As more lessons learned come in, publish more DCMC information papers 3. Continue to add info to Deskbook
Train people to correctly use MIL SPECS for legacy systems.	The tenants of MilSpec reform have been incorporated into relevant DAU courses.	This issue will be referred to the Departmental Standardization Officers for appropriate action.
Train people on performance standards.	SD-15, "Performance Specification Guide" was published and widely distributed in June 1995, and is available on the MilSpec Reform Homepage. Additionally, training courses on how to write & use performance specifications exist. Over 4,000 people have received such training so far.	Continue efforts to spread the word that this information and training is available.
Training and implementation of commercial specs/ABS Standards into the AUS should be by NAVSEA. This helps ensure standards for barges and commercial craft will not be applied to combatant ships.		This issue will be referred to the NAVSEA Standards Improvement Executive for appropriate action.

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Also, performance-type specs, usable on AUS, would be made available.		
The Defense Standards Improvement Council should establish clear-cut definitions of replacement document categories and firm timelines for document conversion.	The definitions of replacement document categories are contained in MilStds 961 and 962, which were published and widely distributed in March and October 1995, respectively. Additionally, both documents are available on the MilSpec Reform Homepage.	Firm timelines are unfeasible. Changes in resource availability over time and “lessons learned” result in frequently revised plans. However, priority effort is placed on those documents needed to support upcoming procurements.

AR Day Feedback: MISCELLANEOUS ISSUES - SPECIFICATIONS & STANDARDS REFORM

Issues/Recommendations	Actions to Date	Actions Required
This reform should be implemented on a more realistic schedule.	SecDef's June 1994 memo directed disposition actions for management and manufacturing process standards be completed within two years. With the exception of a few documents that are being replaced with non-government standards, that schedule has been met.	NONE--In December 1994, the SIEs briefed the DAE/CAEs that it would take five years to fully implement all of the actions needed on the 30,000 Mil Specs and Standards then in the DoDISS.
Eliminate PM need for waiver when choosing between MIL SPECS and commercial.	Road Shows being conducted by the Services explain the reason for the waiver process and what's expected of PMs and PEOs.	Continue efforts to educate people about the goals of MilSpec Reform and the cultural change desired of them.
When waiver is required, make it a blanket waiver so it doesn't have to be reinvented for every program.	Each of the SIEs has approved blanket exemptions from the waiver requirement for the few Mil Specs and Standards that must be retained and are applicable to multiple programs. A listing of these documents is available on the MilSpec Reform Homepage.	Continue efforts to spread the word that this information is available.
Authorize "class" waivers for the "can't convert, can't eliminate" category of MILSPECS.	Documents that have been determined by the DSIC to be Interface Standards or Standard Practices do not need waivers. Mil Specs that have been determined by a Command SIE to be Performance Specifications do not require a waiver. Additionally, see #2 above.	Continue efforts to spread the word that this information, and associated training, is available.
Retain (without need for waiver) 20-25 main MILSPECS until suitable replacements are found.	A questionnaire has been completed by the proponent activity on each of the 30,000 Mil Specs and Standards that was in the DoDISS in June 1994 to determine the appropriate disposition. No document for which a replacement is warranted will be canceled until a suitable replacement exists.	None
Exclude legacy systems and their spares.		None—While flexible application is required [and permitted] for legacy systems and spares, they should not be exempted.

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Stop requiring users to develop functional specs.		The term “functional” specs has no meaning. Perhaps the comment refers to “performance” specifications [which prescribe form, fit and function]. If so, no action is warranted, as stating requirements in performance terms is one of the cornerstones of Acquisition Reform.
Mandate in FAR that users are "responsible" for ensuring the specifications forwarded to buying activities are complete, accurate and ready for soliciting. The specs are not tailored to needs and contain many irrelevant requirements.	The tenants of MilSpec Reform have been incorporated into relevant DAU courses. Additionally, Road Shows being conducted by the Services explain what is expected of PMs.	Continue efforts to educate people about their responsibilities under MilSpec Reform and what's expected of them.
Improve communications between acquisition and non-acquisition personnel.	DoD 5000.2-R requires greater interface and communication, through the IPT process, by all organizations involved involved in acquisition	

AR Day Feedback: COMMUNICATION - COST AS AN INDEPENDENT VARIABLE (CAIV)

Issues/Recommendations	Actions to Date	Actions Required
Re-educate support people so they understand the concept.	Courses at Defense Acquisition University address CAIV. Defense Management Systems College has a POC to respond to detailed questions on CAIV. The Deskbook will soon provide written information.	Update the Deskbook as additional information becomes available. Update DAU courses in this area, as appropriate.
Need additional training and guidebooks.	Courses at Defense Acquisition University address CAIV. Defense Management Systems College has a POC to respond to detailed questions on CAIV. The Deskbook will soon provide written information.	Update the Deskbook as additional information becomes available. Update DAU courses in this area, as appropriate.
Ensure CAIV is incorporated in Service Regulation policy updates.	None.	Review Service policies
Provide more guidance regarding implementation.	Courses at Defense Acquisition University address CAIV. Defense Management Systems College has a POC to respond to detailed questions on CAIV. The Deskbook will soon provide written information.	Update the Deskbook as additional information becomes available. Update DAU courses in this area, as appropriate.
Continue to educate the PEO community, especially the technical community.	Courses at Defense Acquisition University address CAIV. A report on the Flagship programs will be provided to the Defense Manufacturing Council. The Deskbook will soon provide written guidance.	Continue regular reporting to the Defense Manufacturing Council.
More in-depth training is required for CAIV. Recommend the development of case study examples to better understand how CAIV applies to programs. Need more insight into CAIV applications, lessons learned, and best practices.	Data that addresses this question is being gathered from the Flagship programs. In addition, analysis of all program CAIV plans is planned, which may result in more case studies. In addition, the upcoming Deskbook section will provide more detail about the CAIV process. Lessons learned are being collected from the Flagship programs.	Disseminate the information from the Flagship programs, when it becomes available, analyze CAIV plans and provide feedback on best practices through the Deskbook.
CAIV does not represent anything new to many programs. Need clearer definition of	A planned new section in the Deskbook will deal with CAIV implementation	Develop examples and templates for programs to use in developing their own CAIV plans.

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what needs to change, not just philosophy of Cost vs. Performance. Use of CAIV needs to be clarified.		
Provide examples of utilization of CAIV in contracting and more education to implement it.	Data from Flagship Programs are being gathered and an interim report given to the Defense Manufacturing Council. A Deskbook section, in preparation, will also deal with this issue to some extent. Courses at the Defense Acquisition University incorporate CAIV.	Additional courses should be provided at the specialist level.

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AR Day Feedback: IMPROVE APPLICATION - CAIV

Issues/Recommendations	Actions to Date	Actions Required
Emphasize real savings, not politically correct savings.	Study of the Flagship programs will attempt to identify how savings are determined.	Report results through the Deskbook, and to the Defense manufacturing Council.
Be careful when using CAIV in source selection criteria.	Study of the Flagship programs will attempt to identify how these programs have addressed the situation.	Report results through the Deskbook, and to the Defense manufacturing Council.
Remove schedule from the equation to become "event to cost" driven.	None.	None.
Stabilize flagship programs using CAIV & other tools to ensure effective execution.	None, as part of the CAIV process.	None.
OSD - reemphasize the up front investment requirement. Individual programs have had to program, plan, or budget for this requirement in advance.	Courses at Defense Acquisition University, and the policy paper from USD(A&T) have made this point. Despite the fact that the CAIV policy is relatively new, some programs have developed programs that apportion funding appropriately.	Ensure that examination for CAIV principles is part of program reviews, and include in courses for acquisition personnel.
Investment in the development of improved cost estimating models must be funded.	DoD is currently funding some efforts to improve cost estimating tools for some high-value areas. The CAIG was charged to investigate whether improvements are needed to current cost estimating methods.	Encourage components to participate in joint development of better cost estimating tools.
For CAIV to be effective, once the cost estimate is approved, execution funds cannot be cut at higher levels other than when the user reprioritizes their programs.	None.	None.
Hire independent external evaluator to monitor value-added.	DoD already uses CAIG to determine cost savings. Flagship program data will be used to assess impact of CAIV.	Report results of Flagship program study.
Management should continually pulse the community on the progress made in implementation of CAIV.	USD(A&T) has re-emphasized through correspondence the importance of CAIV. PDUSD (A&T), and others, have given a number of talks on the importance of CAIV.	Continue to require CAIV plans as part of the program review process.
Designate a few initiatives (i.e., ECPs or	The USD(A&T) designated a group of	Report results to the Defense Manufacturing

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Developmental Projects) as CAIV projects as a way to implement CAIV and to begin to understand the type of hurdles that will be encountered.	programs as Flagship programs to better understand the impact of the CAIV policy, and to determine the hurdles that impede progress. DD, S&TS heads this effort.	Council.
Make direct correlation early on so CAIV variable can be optimized.	USD(A&T) direction is to start the CAIV process very early in the program.	Continue to review programs to ensure that CAIV objectives are understood and implemented.
Use CAIV with consideration to safety, health and welfare measures.	None. CAIV policy should not affect these measures.	None
Need time and commitment from all levels to look for and consider trades.	Components were requested to provide CAIV plans to USD(A&T).	Plans will be evaluated and feedback provided to Components to ensure that CAIV is being implemented and supported.

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AR Day Feedback: COMMUNICATION - OIPT/WIPT

Issues/Recommendations	Actions to Date	Actions Required
Provide clear, service-level guidance on how to compose and run IPTs.	OSD has developed the pamphlet "IPT Rules of the Road," and distributed to OSD and Services. Additionally, an IPT training video has been produced and made available to the Services. Both of these serve as guidance to Services in developing/adding Service-specific guidance.	Services review/augment OSD-provided IPT guidance and distribute to field agencies.
Give PMs and their staffs IPT training.	Navy has a contractor to provide such training. Guidance on IPTs has been incorporated into DSMC courses.	Development of specific DSMC course on IPTs. Other Services consider Navy model of providing "team building" training to PM staffs
Provide OSD personnel with workshops.	IPT training video and IPT pamphlet have been distributed.	Navy has offered "team building" training contractor to support OSD. Complete pilot training session & evaluate for OSD-wide use.
Consider both formal training on IPTs and "Road Shows."	DSMC is including IPT information in PM courses.	Services review/augment OSD-provided IPT guidance and distribute to field agencies.
Make training mandatory on what are members' roles and responsibilities to team.	None	Services review/augment OSD-provided IPT guidance and distribute to field agencies.
Incentivize lessons-learned sharing.	None.	Should charter WG to review and make recommendations.
Improve meeting mgmt (through training).	OSD has developed the pamphlet "IPT Rules of the Road," and distributed to OSD and Services. Additionally, an IPT training video has been produced and made available to the Services. Both of these serve as guidance to Services in developing/adding Service-specific guidance. Navy has a contractor to provide such training. Guidance on IPTs has been incorporated into DSMC courses.	Services review/augment OSD-provided IPT guidance and distribute to field agencies.

AR Day Feedback: KEY MEMBER PARTICIPATION/CONTRIBUTION ON TEAMS - OIPT/WIPT

Issues/Recommendations	Actions to Date	Actions Required
Make comptroller an active IPT member, and that OIPT have DAB interface.	USD(A&T) has met with OIPT to reiterate the need for team effort.	Complete USD(A&T)-USD(C) study and develop appropriate action plan.
Incentivize members, keyed to total product success (vs success of their own function).	None	Should charter WG to review and make recommendations.
Establish IPT as early as possible and retain "same" membership.	IPTs established for all programs. ACTDs are employing IPTs.	IAW "Rules of the Road" and the IPPD Guide, PMs must continue to stress continuity of agreements and decisions based upon IPT membership that is as consistent as possible, accounting for personnel turnover and schedule conflicts.

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AR Day Feedback: EMPOWERMENT - OIPT/WIPT

Issues/Recommendations	Actions to Date	Actions Required
Empower people with positive management commitments and ensure that they do not fear reprisals for their decisions; change management policies; let employees take ownership by empowering them to take responsibility for problems and solutions at the lowest level possible..	IPT "Rules of the Road," and IPT training video, plus USD(A&T) policy memo on IPTs lay out policy for empowering personnel.	Senior DoD leaders continue to emphasize empowerment.
Do not subject IPT decisions to second-guessing by board reviews.	D, TSE&E and D, OTE statements at JSTARS OIPT meeting indicating support of action officer agreements.	Senior DoD leaders continue to vocal support.
Co-locate an Army rep and an OSD rep in the project/program office.	None. OSD IPT members travel to support PM IPTs.	None.
Reduce the number of people reviewing documents.	IPTs were established to ensure appropriate people review documents.	None.
Empower contracting officers to revise documents to determine if legal review is necessary.	None.	Review and develop appropriate policy statement.
Award/recognize people whose suggestions produce real savings.	Pilot effort is being evaluated in JDAM program.	Evaluate results of JDAM effort and develop appropriate policy.
Some pockets of unempowered resistance to the IPT process exist, e.g., at the OSD level and in the testing community (no specific recommendation).	USD(A&T) has met with OIPT to reiterate the need for team effort.	Continue emphasis through training and policy statements.

AR Day Feedback: TEAM PARTICIPATION AND TRAINING CONCERNS - IPPD/IPT

Issues/Recommendations	Actions to Date	Actions Required
Ensure facilitation within the IPPD/IPT context be made part of the DAWIA curriculum certification criteria.	Courses rebaselined to include IPPD in Systems Planning, Research, Development & Engineering, Acq Logistics & Production Quality Management career fields	Developing separate IPPD course to be offered through DAU
Revamp the individual personnel performance evaluation systems in the spirit of innovation.	DD/SE individual performance plans written to reflect IPT/IPPD philosophy	Recommend OUSD(A&T)/Admin lead a PAT to determine large-scale implementation options
Follow the guide in defining a charter.	DD/SE using DoD Guide to IPPD & Rules of the Road as primary resource for IPT participation	Recommend A&T-wide management stress DoD Guide to IPPD & Rules of the Road as a primary resources for IPTs
Management needs to stress to member the importance of their participation or proper delegation of their responsibilities to qualified substitutes.	Multidisciplinary teamwork & empowerment addressed in DoD Guide to IPPD & Rules of the Road	Recommend A&T-wide management stress DoD Guide to IPPD & Rules of the Road as a primary resources for IPTs
Provide consistent leadership emphasis.	DD/SE continuing to spread the IPPD message at conferences, via acquisition workforce training & publications (DoD Guide to IPPD, Program Manager magazine IPPD article, DUSD(AR)'s Rules of the Road)	DD/SE publish DoD Handbook as companion to DoD Guide to IPPD Recommend A&T-wide management stress DoD Guide to IPPD & Rules of the Road as a primary resources for IPTs
Provide action officer training on what should be key supportability issues & how to interject their consideration into the IPT dialogue.	DD/SE developed & using "key weapon system issues" list, which includes supportability issues. SPRDE, Acq Log & PQM courses rebaselined to reflect latest guidance on supportability.	A&T-wide management should be encouraged to do the same.
Accept logisticians' interplay at IPT forums.	Inherent that all stakeholders participate in the IPT process.	None
For the IPPD process to work, it has to be the organizational structure of choice center wide.	DD/SE fully participating in IPT structure. DoD Guide to IPPD & Rules of the Road addresses organizational aspects of IPTs/IPPD	None

AR Day Feedback: ADDITIONAL GUIDANCE AND TRAINING NEEDED - COMMERCIAL ACQUISITION AND PRACTICES

Issues/Recommendations	Actions to Date	Actions Required
The commercial team and the simplified acquisition team need to work together to develop simple rules for commercial items.	The enactment of FARA authorized the use of simplified acquisition procedures up to \$5 million and the proposed FAR Rule was published on September 20, 1996.	With the new FAR Rule for commercial items up to \$5 million in Part 13, Simplified Acquisition, the clauses in FAR Part 12, Commercial Items, will be further streamlined by the reconvened FASA Commercial Contracting Team to accommodate the new authority.
Train people on what are standard commercial practices.	There is no such thing as "standard" commercial practices, these vary by product type or industrial sector. The Acquisition Deskbook provides information on the role of market research as a tool for obtaining information about commercial practices.	An interactive, on-line training module, including CD-ROM and video capability, is planned for delivery in FY97.
Training in conducting market research and developing commercial item descriptions should be developed for all activities.	<p>The DoD Commercial Advocates Forum (www://http.acq.osd.mil/ar) was established on AR Acceleration Day as an interactive, online forum to encourage and report on DoD commercial acquisition and practices success stories, including the conduct of market research and developing commercial item descriptions.</p> <p>DAU offers non-resident courses in conducting market research and developing commercial item descriptions. The availability of course offerings can be found on the CANDI Homepage and in the DAU catalogue. Additionally, guidance about market research is contained in the Acquisition Deskbook. (Bergmann)</p>	An interactive, on-line training module, including CD-ROM and video capability, is planned for delivery in FY97.

AR Day Feedback: IMPLEMENTATION ISSUES - COMMERCIAL ACQUISITION AND PRACTICES

Issues/Recommendations	Actions to Date	Actions Required
Laws and regulations continue to be identified as the largest barriers and yet, even when relaxed, rice bowls prevent implementation of real change.	The DoD Acquisition Deskbook and the DoD Commercial Advocates Forum were both established by DUSD(AR) to facilitate the cultural change necessary to implement real change as a result of the AR initiatives.	Continuing implementation of the statutory preference for commercial items, whether through the use of commercial practice and specifications or the actual acquisition of commercial items, will be highlighted as part of the online DoD Commercial Advocates Forum and emerge as guidance in the DoD Acquisition Deskbook.
Initiate a total commercial acquisition on a test basis for a few programs who volunteer.	The <i>DoD Commercial Advocates Forum</i> (www://http.acq.osd.mil/ar) was established on AR Acceleration Day as an interactive, online forum to encourage and report on DoD commercial acquisition and practices success stories.	Continuing implementation of the statutory preference for commercial items, whether through the use of commercial practice and specifications or the actual acquisition of commercial items, will be highlighted as part of the online <i>DoD Commercial Advocates Forum</i> .
Further legislative action required to "open" up definition of commercial services -- still too restrictive.	Additional regulatory flexibility in the use of commercial services is currently being explored by the reconvened FASA Commercial Contracting Team.	With implementation of the reconvened FASA Commercial Contracting Team recommendations in the Fall of 1996, appropriate guidance will be included in the DoD Acquisition Deskbook.
No guidance exists on the use of commercial procedures for construction.	FAR Part 12, Commercial, and Part 36, Construction, are currently being reconciled by the reconvened FASA Commercial Contracting Team.	With implementation of the reconvened FASA Commercial Contracting Team recommendations in the Fall of 1996, appropriate guidance will be included in the DoD Acquisition Deskbook.
Can legal reviews be waived for commercial items under \$5,000,000?		
The use of commercial items should be mandatory, unless properly exempted; and statements of work, specifications, and item descriptions are to be commercial.	FASA created a statutory preference for commercial items which was implemented in the new FAR Part 12 and the DoDI 5000 series rewrite. Statements of work are currently reviewed by the Components as part of their RFP scrub process. All military specifications and item descriptions are currently under review by the Defense Standards Improvement Council.	Continuing implementation of the statutory preference for commercial items, whether through the use of commercial practice and specifications or the actual acquisition of commercial items, will be highlighted as part of the online <i>DoD Commercial Advocates Forum</i> .

AR Day Feedback: METRICS OF PROGRESS ON AR INITIATIVES - MANAGEMENT ISSUES

Issues/Recommendations	Actions to Date	Actions Required
Define metrics for AR success.	The Acquisition Reform Benchmarking Group (ARBG) was chartered in September 1995 to develop appropriate AR metrics. As a result of its recommendations, initial DoD Enterprise Acquisition Metrics were established in a PDUSD(A&T) Memorandum of July 16, 1996. The initial DoD Enterprise Acquisition Metrics were published on August 30, 1996 and a Progress Report delivered on September 30, 1996 (www://http.acq.osd.mil/ar).	The ARBG will continue to develop, monitor and report on appropriate DoD AR metrics and benchmarking efforts (www://http.acq.osd.mil/ar).
Develop appropriate metrics for contracting management (separate from other functional metrics).	One of the initial DoD Enterprise Acquisition Metrics, "Purchasing Cost" (including contract management), is championed by the Army and will be benchmarked against other government agencies and industry. The initial DoD Enterprise Acquisition Metrics were published on August 30, 1996 and a Progress Report delivered on September 30, 1996 (www://http.acq.osd.mil/ar).	The ARBG will continue to develop, monitor and report on appropriate DoD AR metrics and benchmarking efforts (www://http.acq.osd.mil/ar).
Broadcast successes on video tape.	The PDUSD(A&T) Memorandum of July 16, 1996 directs the Components to mirror the ARBG metrics and benchmarking efforts at the Component level. The initial DoD Enterprise Acquisition Metrics were published on August 30, 1996 and a Progress Report delivered on September 30, 1996 (www://http.acq.osd.mil/ar).	The ARBG will continue to develop, monitor and report on appropriate DoD AR metrics and benchmarking efforts (www://http.acq.osd.mil/ar). A training module, including video, is planned for delivery in FY97 and will report on the DoD Enterprise Acquisition Metrics Program and development of appropriate metrics and benchmarking initiatives.
Establish an office to monitor AR metrics and report progress to the field.	The Acquisition Reform Benchmarking Group (ARBG) was chartered in September 1995 to develop, monitor, and report on appropriate AR metrics and benchmarking efforts. The initial DoD Enterprise Acquisition Metrics were	The ARBG will continue to develop, monitor and report on appropriate DoD AR metrics and benchmarking efforts (www://http.acq.osd.mil/ar).

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	published on August 30, 1996 and a Progress Report delivered on September 30, 1996 (www://http.acq.osd.mil/ar).	
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AR Day Feedback: **PERSONNEL - MANAGEMENT ISSUES**

Issues/Recommendations	Actions to Date	Actions Required
Address both the inability to hire new engineers and the continuing vulnerability of your engineers to RIFs.	Workforce Enhancement PAT reported out to USD(A&T) on September 12, 1996 w/their report. It outlined several recommendations.	PDUSD(A&T) tasked API with lead in implementing, followup on the PATs report.
Implement the Personnel Management aspect of the Army Acquisition Corps (the traditional system is broken).	This is a Service Unique Issue. It should be given to the Army to respond to &/or implement	
Need for separate career merit promotions, career programs and 15 civilian pay levels should be re-evaluated for simplification.	SECDEF chartered a Workforce Demonstration PAT which is in initial phase of its work. The PAT developed a concept paper, outlining hiring, retention, and workforce-shaping innovations, with broad-banding as its linchpin.	Workforce Demo PAT consider proposals from components for Pay Banding. Request Components comment on concept paper and provide representatives for Phase 2, Proposal Development.
Require AW members to be certified and recertified on AR practices.	Interim Continuing Education Policy issued in August 1996, requires training on AR practices.	Incorporate appropriate requirements in the final Continuing Education Policy due out by end of FY 1997.

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AR Day Feedback: COMMUNICATION - EC/EDI

Issues/Recommendations	Actions to Date	Actions Required
Use teams of EDI experts to implement EDI at new sites.	DUSD(AR) funded the services and agencies to provide this capability at the time of the initial FACNET interim certification. Our follow-up survey noted the same issue in the 3 rd QTRFY96, which generated the requirement for a more comprehensive training to be accomplished.	DUSD(AR/EC) is in the process of a "second" insertion of current Interim FACNET certified sites training, for the government users, and their trading partners utilizing the ECRCs, PTACs, and SADBUs in 2 nd QTRFY97. An enhanced "initial" training module will be utilized for the remaining 29 DoD sites. (Navy 20, Air Force 1, Army 4, and DLA 4)
Conduct nationwide OSD-sponsored conferences to enable networking among DoD people who are implementing and maintaining the EDI environment locally.	DUSD(AR/EC) has participated in 74 national conferences and 2 international. This is 58 national conferences and 2 international more than was scheduled for FY95/96. Additionally, the ECRCs and PTACs trained over 45,000 government and industry personnel to date.	In FY97, we intend to support an additional 24 conferences in conjunction with the Society of Logistic Engineers (SOLE) , CALs EXPO, FOSSE, and one international conference (London). The DUSD (AR/EC) office will also participate in numerous other conferences as Plenary or Keynote Speakers. See WWW for scheduled EC/EDI FY97 conference education and outreach.
Conduct outreach programs for DoD personnel and contractors.	DUSD(AR/EC) has trained 584 SBAs; 11 ECRCs; 214 PTACs to accomplish this requirement. A module of training has also been inserted into DAU and DSMC for formal government training.	Updated educational/outreach materials will be furnished to the SBAs, ECRCs, PTACs, DAU, and DSMC for government/industry continual training.
SYSCOM management must aggressively train people to exploit EC/EDI.	DUSD(AR/EC) is developing a DoD EC Communication and Training Strategic Plan, scheduled for 1st QTRFY97 which will include additional service and agency internal requirements.	Coordination of individual service/agency requirements will be completed 2 nd QTRFY97.
Some vendors lack adequate PC/LAN systems; under the MSR/ABR revision, EC/EDI capability may need to be stated as required of suppliers. Encourage lower-tier suppliers to use EDI with primes.	DUSD(AR/EC), for over 18 months, has worked in conjunction with the Aerospace Industry Association in an Aerospace EC Supplier Network Project to ensure a coordinated DoD/Industry strategy of implementation of EC with primes and sub-tiers.	Continue collaboration with the Aerospace EC Supplier Network, and expand initiative to other industry associations. EIA 1 st QTRFY97 began to participate in this initiative with DoD.
Establish a site on the Internet that	FAR on-line is on the GSA homepage	Provide a hyperlink from Deskbook to allow

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presents a master listing of statutory provisions, clauses, and certifications.	www.gsa.gov ; DFARS is available on Deskbook on CD ROM.	Internet access.
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AR Day Feedback: INFRASTRUCTURE - EC/EDI

Issues/Recommendations	Actions to Date	Actions Required
Establish procedures and network to enforce a maximum 24-hour delivery of information in each direction(vice up to four days in some cases today).	1 st QTR FY97 DISA will deploy a fully tested infrastructure that will resolve all these issues and more. The new Electronic Commerce Processing Nodes (ECPNs) will provide for elimination of current gateways. The third party test indicated the ECPN will have 100% accountability, 99.% throughput; and average speed of service within a three hour time-fram. Management information at any point of the process will be available to government and industry users. DoD has complied with FIPS Pub 161-2, to utilize ANSI X12/UN/EDIFACT. DISA completed, Sep 96, the issuance of a new VAN license agreement, which is more stringent than the previous agreement, to ensure VAN performance on the infrastructure.	DUSD(AR) Monitor ECPN Implementation plan monthly beginning 1 st QTRFY97.
Establish procedures so that vendors can verify quotes received by government, and government can verify RFQs have been received by vendors.	This is accomplished by an ANSIX12(997) transaction.	Require all VANs and all service/agencies to initiate and transmit the 997 in accordance with the current policy.
Enable government offices to see exactly what vendors receive (including reformatting of information by intermediaries.)	There is no opening or closing of the transaction set between the government and industry nor is there any opening of a transaction set from industry to government.	No intermediaries, therefore no additional action required.
Use the Internet, not FACNET, for transmissions (and so eliminate VANs and costly subscriptions paid by small vendors to network intermediaries.)	Internet does not provide the functionality that has been required by the services and agencies, to provide digitized data to and from government and industry Automated Information Systems, nor is there any assurance of transmission/receipt requirements, as well as security issues.	DISA is in the process of building the necessary fire walls to accommodate the department's use of Internet, and it is scheduled in the 4 th QTRFY97.

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Assure full DISA support of FACNET (which is not working well). Because of DISA gateway and hub problems, go to SACONS (a COTS solution); we are.	See comment to first issue above.	
Use the Internet, and modify the rules accordingly for synopsis, solicitations and awards. And, use Internet instead of CBD.	DUSD(AR/EC) identified the DoD requirement to add Internet capability outside of the department.	DISA is in the process of building the necessary fire walls to accommodate the department's use of Internet, and it is scheduled in the 4 th QtrFY97.
Provide adequate software and hardware to ensure EDI effectiveness.	See comment to first issue above.	
Eliminate protocol incompatibilities among different networks	Accomplished through the use of Industry standards. DoD is currently utilizing ANSIx12	Continue harmonization of UN/EDIFACT to allow utilization of International standards.
Some government offices currently retransmit all data in paper form due to unreliability of EDI. Improve the transmission system's reliability.	See comment to first issue above.	Continue to monitor sites total number of Request for Quotes, versus Purchase Orders, and highlight discrepancies to service/agencies to advise sites of the enhanced capability of the ECPN in respect to the total EC/EDI RFQ/PO process.
Require VANs to meet performance standards.	See comment to first issue above.	Continue to re-certify DoD VANs under the new VLA, and monitor their compliance with the more stringent requirements.
Establish a single, common protocol for all EC/EDI communications.	See comment to first issue above.	Specific protocols are called out in the new VLA and will be required for a DoD certified VANs. Future non-compliance will result in a de-certification of the VAN.
Integrate the systems (FIS, FOCAS, PMRS, SPECSINTACT, etc) that aid us.	All legacy systems have designated a migration or target system for their respective business areas. Dependent upon the schedules of these migration systems, waivers have been provided to insert EC/EDI into legacy systems due to the significant return on investments.	DUSD(AR/EC) and DISA D-7 continue to work with the appropriate Corporate Information Management (CIM) directors to ensure EC/EDI is inserted into the migration systems, and a waiver is obtained to proceed with legacy systems if the return on investment indicates justification to modify the existing systems.
Replace APADE with Windows-based standard procurement tool.	All current legacy contracting systems are scheduled to be replaced with commercial off the shelf, windows based systems under the Proc. CIM initiative in DDP.	Continue to monitor the projected deployment of the Standard Procurement System (SPS).

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OSD needs to provide sufficient funds to repair network or investigate another alternative to comply with Public Law 103-355 (FACNET).	The Director, EC/EDI working with DISA has reviewed the problems with the existing infrastructure resulting in upgrades to the infrastructure which are addressing these issues.	Continue to evaluate and improve DoD's infrastructure to meet electronic commerce requirements.
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AR Day Feedback: MISCELLANEOUS ISSUES - EC/EDI

Issues/Recommendations	Actions to Date	Actions Required
The Contractor Central Registration (CCR) Form is too long. Break the form into two separate, shorter forms (government and contractor required data); assign this mission to Defense Logistics Supply Center.	The CCR ANSI X12 838, deleted the requirement for multiple forms previously utilized in DoD and Federal agencies. The information is required to support multiple business areas, and provide the government and contractor with a "single point of entry" for contractor information. The "background" help information has facilitated the contractor in providing this information. The DUSD(AR) is the current owner of CCR, prototype, demonstration, and development, in support of all Federal agencies, and is currently developing a Memorandum of Agreement for the maintenance and sustainment of this information with DUSD(AR), DLA, and DISA.	DUSD(AR/EC) has directed an Integrated Process Team (IPT) business processing re-engineering effort to the current CCR registration process effective 1 st QTRFY97. Results of this effort will be available end of 2 nd QTRFY97.
Eliminate blank lines before forms are transmitted (vendors pay money for all that is transmitted, including many useless blank lines).	The blank lines are not an issue of the implementation of EC/EDI. The blank lines, and extraneous text are imbedded in each services/agencies AIS, and have been requested to have them removed by the Central Design Activity (CDAs). Not all CDAs have complied to date.	DUSD(AR/EC) will issue a letter to each CDA requesting an estimated completion date, and a milestone plan by the end of the 1 st QTRFY97.
Eliminate the legal requirement for a signature to validate a contract; or solve the electronic signature problem(standardized public key/private key process).	This is in process of being accomplished by C3I/DISA/NIST. It is not a requirement of the first implementation of EC in Contracting, Simplified Acquisitions Procedures, and technical solutions will be available before the requirement is necessary on the current infrastructure.	DUSD(AR/EC) ensure technical solution is available prior to implementation of user's requirements. DISA is to continue to provide for the signature solution in anticipation of user's defined requirements.
Interface the (CCR) with APADE so vendors are automatically loaded upon registration.	All services AIS are currently interfaced except Navy and DLA who are still in the process of defining their requirements to DUSD(AR). Estimated availability is 1st QTRFY97.	DUSD(AR/EC) continue to obtain Navy and DLA AIS requirements to identify to DISA, and monitor implementation plan

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<p>Waive FAR req't that only vendors registered in CCR are eligible to receive awards.</p>	<ol style="list-style-type: none"> 1. CCR has 4,000 registered contractors as of Oct 1, 1996. DUSD(AR/EC) now has the first "free" CCR registration available to contractors via WWW, as well as direct connectivity via modem. 2. There are over 18,000 contractors who have indicated interest in registration, and DUSD(AR/EC) in conjunction with ECRCs, PTACs, and contractor support have a 120 day plan to complete these registrations. 3. Upon signature of the MOA with DUSD(AR), DLA, and DISA we will begin to merge DLSC Cage information and complete the population of CCR. It is anticipated that this effort will be complete in 2nd QTRFY97. 4. DUSD(AR)/DDP intend to issue a coordinated policy letter to the field with an indication when it will be mandatory for CCR registration upon a completion of the milestone schedule. 	<ol style="list-style-type: none"> 1. Continue receipt of contractor requested registrations 2. Monitor the execution of the agreement 3. Monitor the execution of the MOA between DUSD(AR), DLA, and DISA. DUSD(AR) and DISA have coordinated, and it is anticipated receipt from DLA within the 1st QTRFY97.
<p>EC/EDI does not effectively support contracting efforts with extensive drawings and specifications, such as construction and certain service contracts. Make EC/EDI more versatile.</p>	<p>The DEPSEC approved DoD EC in Contracting, was focused on the Simplified Acquisition Procurements. These documents did not reacquire engineering specifications or technical drawings, nor was it anticipated in the first implementation of EC, would construction or services contracts, be the focus. Many sites have aggressively utilized FACNET for construction and certain services, this information is available on DUSD(AR) homepage. Additionally, we have expanded the EC initiative in DoD to include the ANSI X12 841, which is the transaction set that is utilized for engineering technical data. DUSD(AR) funded the deployment of this capability to the four DLA sites beginning 1st</p>	<p>All other services "can" be also added to this implementation plan that currently have JEDMICS or are scheduled for JEDMICS in the future. Service requirements will be solicited 1st QTRFY97.</p>

